

# PRIVATE SHARE PORTFOLIO (PSP)



## OVERVIEW

As part of our commitment to innovation and intelligent solutions, we are proud to offer the Private Share Portfolio Fund. Providing exposure to a personalised share portfolio, this Fund is managed in conjunction with one of our selected stockbroking companies, on the Fairbairn Capital product range.

### A solution for the discerning investor

The Private Share Portfolio Fund enables the structuring of portfolios of listed securities on the JSE as part of the Investment Frontiers Retirement Capital Portfolio and Retirement Income Portfolio. Investors have the option to have new funds invested or consolidate existing funds for investment into the Private Share Portfolio Fund. Leading stockbroking companies have been contracted to provide the asset management services in respect of the Private Share Portfolio Fund.

## FEATURES

The Private Share Portfolio Fund is specifically designed for the sophisticated investor who has a keen understanding and appreciation for the following aspects of investing:

### Risk

The very nature of the share market makes this an aggressive investment and investors should be aware that the Private Share Portfolio Fund offers no guarantees.

### Liquidity

Investors need to be sensitive to the fact that certain trades may be difficult to execute in the desired time horizon, due to liquidity constraints.

### Investment term

This investment should be seen as a long-term investment – investment performance will be subject to short-term market fluctuations.

### Portfolio structuring

The appropriate exposure to the Private Share Portfolio Fund is dependent on the investor's financial objective and personal circumstances. The Private Share Portfolio Fund should generally only form part of a well-diversified investment portfolio and it should regularly be reviewed with your financial intermediary based on your financial needs.

For a thorough assessment of whether a Private Share Portfolio Fund is an appropriate investment option for you, contact your financial adviser or broker.

## BENEFITS

The Private Share Portfolio Fund is an investment option that can be incorporated into the Investment Frontiers Retirement Capital or Retirement Income portfolios, thereby providing the benefits of the Fairbairn Capital product range, i.e. flexibility, choice, tax benefits and regular reporting.

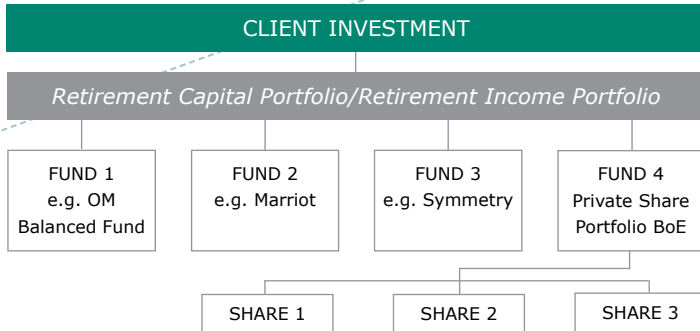
Investors have insight into the underlying investments and the opportunity to participate in the tailoring of the Private Share Portfolio Fund but not the authority to direct specific trades within the underlying portfolio. The transparent nature of the Private Share Portfolio Fund enables the investor to be more informed about the performance of the Fund. Investors can switch between the Private Share Portfolio Fund and other investment funds available on the Fairbairn Capital platform.

## HOW IT WORKS

The stockbroker has sole and full discretion on the composition of the portfolio, subject to the broader portfolio limits imposed by the chosen strategy and asset management house and the limits set by Old Mutual. The stockbroker may take into account the specific needs and circumstances of the investor when structuring the portfolio and thus the investor has input into the management of the funds but not the authority to direct specific trades within the underlying portfolio.



## FAIRBAIRN CAPITAL PRIVATE SHARE PORTFOLIO (PSP)



### DIVIDENDS

The dividends generated through the various shares in the Private Share Portfolio Fund will be reinvested into the Fund.

### Fund valuation & reporting

The selected stockbrokers will manage the underlying shares in the Private Share Portfolio Fund and will report the value of the total portfolio to Old Mutual on a regular basis. The total value of the Private Share Portfolio Fund will be available through the normal Old Mutual channels (fairbairncapital.com website/Quarterly Statements). Stockbrokers may display individual portfolio holdings, trading activity and values on their respective websites.

### FEES

Standard initial and annual administration fees as per the Fairbairn Capital product range applies.

### Annual Portfolio Administration Fee

An additional fee of 0.25% p.a. applies for administering the Private Share Investment Fund.

### Portfolio Management Fee

See fees specific to stockbroking partners.

\*Please note: The amounts stipulated are initial investment amounts (gross amounts) required for the Private Share Portfolio Fund prior to initial fees and income provisions have been allowed for.

### Prudential Investment Guidelines (PIGs)

The investor's total investment in the Fairbairn Capital Retirement Capital/Retirement Income Portfolio has to comply with Prudential Investment Guidelines (PIGs). This means that no more than 75% of the investor's portfolio can be weighted to equity exposure.

### Minimum investment amounts for investment in the Private Share Portfolio Fund

Retirement Capital Portfolio – R250 000\*  
Retirement Income Portfolio – R1 000 000\*

### BoE PORTFOLIOS

Portfolio Management Fees: 1.2% p.a. excl. VAT



### BoE Thematic Equity Strategy

This is an aggressively-managed specialist equity portfolio that aims to maximise total return. The strategy attempts to identify beneficiaries of certain investment themes and the constituents of the portfolio will, at times, vary considerably from established market benchmarks such as the JSE Top 40 Index. The portfolio will contain stocks based on the manager's conviction in the identified themes and companies that are best placed to deliver the long run total returns in excess of inflation.

### BoE Core Equity Strategy

A general equity portfolio that seeks to provide capital growth and a degree of dividend income over the long-term by investing in JSE traded equities. The fund is actively managed and selects liquid large-cap, blue-chip stocks that have good long-term growth track records. The fund doesn't take speculative positions but rather has a longer-term investment and growth horizon. The portfolio is aimed specifically at investors seeking some flexibility to take advantage of discrepancies between long-term valuations and short-term prices.

### BoE Dividend Focus Equity Strategy

Aims to achieve a high dividend income stream, as well as long-term capital growth through the selection of highly cash-generative, defensively positioned and quality companies. Seeks a diversified combination of companies so the portfolio generates a consistently high dividend yield, irrespective of the stage in the economic cycle.

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#### For Unit Trust funds only:

Unit trusts are generally medium to long-term investments. The value of the units may go down as well as up and past performance is not necessarily a guide to the future. Unit trusts are traded at ruling prices. A schedule of fees and charges and maximum commissions is available on request from the management company. Commission and incentives may be paid, and if so, would be included in the overall costs. Forward pricing is used. In the case of Money Market Funds, a constant unit price will be maintained.

#### Other funds:

These are generally medium to long-term investments. The value of the units may go down as well as up and past performance is not necessarily a guide to the future.

OMIS (Pty) Ltd is a member of the Old Mutual Group and is a licensed Administrative Financial Services Provider. Mutualpark, Jan Smuts Drive, Pinelands 7405. PO Box 617, Howard Place, Cape Town 7450. Tel 0860 300 000, Fax 0860 400 000. E-mail service@fairbairncapital.com, www.fairbairncapital.com